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BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES IN AND FOR THE STATE OF UTAH

IN THE MATTER OF THE DENIAL OF THE APPLICATION FOR PERMIT TRANSFER OF HIAWATHA COAL COMPANY, INC. FOR THE BEAR CANYON MINE C/015/0025, TASK ID #3215 BY THE DIVISION OF OIL, GAS AND MINING DATED APRIL 2, 2009.

DOCKET NO. 2009-007 CAUSE NO. C/015/025B

TAKEN AT: Department of Natural Resources

1594 West North Temple, Room 1040

Salt Lake City, Utah

DATE: Wednesday, January 27, 2010

TIME: 9:34 a.m. to 9:37 a.m.

REPORTED BY: Michelle Mallonee, RPR

[2] 1 APPEARANCES 2 3 BOARD OF OIL, GAS AND MINING: 4 Douglas E. Johnson, Chairman Ruland J. Gill, Jr. 5 Jake Y. Harouny James T. Jensen Kelly L. Payne 6 Samuel C. Quigley 7 Jean Semborski 8 9 DIVISION OF OIL, GAS AND MINING: 10 John R. Baza, Director Dana Dean, Associate Director, Mining 11 Gil Hunt, Associate Director, Oil and Gas Steve Schneider, Administrative Policy Coordinator 12 Julie Ann Carter, Secretary to the Board 13 14 ASSISTANT ATTORNEYS GENERAL: Steven F. Alder - Division Attorney 15 Fred Donaldson - Division Attorney Michael S. Johnson - Board Attorney 16 Stephen Schwendiman - Board Attorney 17 Megan Depaulis - Board Attorney 18 19 20 21 22 23 24 25

[3] 1 Docket No. 2009-007 Cause No. C/015/025B 2 Wednesday, January 27, 2010 (The proceedings began at 9:34 a.m.) 3 CHAIRMAN JOHNSON: Our next item is Docket 4 2007-007 Cause No. C/015/025B - In the Matter of the 5 Denial of the Application for Permit Transfer of Hiawatha 6 Coal Company, Inc., for the Bear Canyon Mine C/015/0025, 7 8 Task ID #3215, By the Division of Oil, Gas and Mining, Dated April 2, 2009. 9 Mr. Alder, you are representing the Division in 10 this matter? 11 12 MR. ALDER: Yes. And I believe we filed a Motion to Continue. 13 CHAIRMAN JOHNSON: Yes. And I believe that 14 15 motion has been granted. 16 MR. ALDER: Okay. CHAIRMAN JOHNSON: So this item will continue, I 17 believe it's to the February 24 Board hearing. Is that 18 19 correct? MS. CARTER: Yes. 20 MR. JENSEN: Mr. Chairman, I have a question of 21 22 Mr. Alder, and this is just a procedural question. Is there a -- if I can get his attention. 23 24 MR. ALDER: Oh, I couldn't see where the voice

was coming. I didn't recognize your voice. Sorry,

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Mr. Jensen.

MR. JENSEN: Mr. Alder, my question is this has been continued a number of times. And I'm aware of that this matter is being litigated over in the bankruptcy court. And I'm certain you've been following it. And it seems to me that there are lots of motions and things going on.

My question is -- and I recognize an Order has been issued that takes us to next month -- but if this matter is going to continue, is it appropriate to simply continue it without date?

MR. ALDER: The reason that historically we haven't continued matters without date is to avoid the expense and the trouble of re-noticing and republishing Notice and sending it to all the parties. And it was felt in this case that the people who were involved pretty well know what's going on, and they're properly advised by the continuance. And that's the only reason.

And I apologize for the continued delay. I can assure you that we thought this would be resolved, at the latest, last December.

 $$\operatorname{MR}.$$ JENSEN: I think we recognize it's not within your control.

MR. ALDER: I think this will be the last time it's continued. And so we'll consider maybe doing it

[5] differently next time. MR. JENSEN: Thank you. MR. ALDER: Thank you. CHAIRMAN JOHNSON: Okay. Our last docketed item, we have four parties involved in that and they are conferring at this time. So we're going to take a short break to allow them to finish up their discussions and allow them to set up. And we will reconvene as soon as practical when the parties are ready to move forward. Thank you very much. We'll take a short break. (The proceedings concluded at 9:37 a.m.)